Mortgage Rates Spike to 2026 Highs

Mortgage rates are driven by the bond market. Although bonds only experienced moderate, steady weakness throughout the day, mortgage rates lurched higher by an amount typically seen when the market is reacting to big, breaking news.

But there wasn't any of that sort of news on tap today--just downbeat updates that reinforced a longer timeline for geopolitical disruptions. The bigger issue for mortgage rates is that they often experience heightened volatility when they pass through the 6.25% level.

Due to the underlying structure of the mortgage market, 6.25% is sort of a dead zone. If you really want to see the nuts and bolts behind that phenomenon, here's the primer. The practical result is that movement tends to be bigger when rates are rising or falling through 6.25% (or any level that ends with 0.25 or 0.75). As such, when rates began moving up from 6.125%, the slightly elevated bond market volatility made for a faster trip up to the 6.375% zone (today's MND index was revised up to 6.35% in the afternoon after ending Monday at 6.14%).

This is the highest level since December 8th, 2025, though it should be noted that prior to September 2025, rates had been much higher, on average, for roughly an entire year.

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